

New Mexico Fact Sheet: Clean Power, Clear Savings

The U.S. Environmental Protection Agency (EPA) has finalized a rule to reduce carbon pollution from existing power plants—a critical step to address climate change in the U.S. The rule, dubbed the Clean Power Plan, asks each state to design its own strategy to achieve carbon reduction targets by 2030. It offers New Mexico a great opportunity not just to reduce climate change, but to lower electricity bills and boost the state economy.

Basics on the Clean Power Plan in New Mexico

In August 2015, the EPA finalized a rule to curb carbon pollution from existing power plants. The EPA has set a 36 percent emission reduction target by 2030 for New Mexico. States must submit their plans for compliance with the Clean Power Plan starting in the summer of 2016.

The EPA rule offers a significant opportunity to save New Mexico electricity consumers money and boost the state economy. **A Public Citizen analysis projects that energy efficiency measures under the Clean Power Plan will cut electricity bills for New Mexico residents up to 10.7 percent by 2030.**

New Mexico should seize this opportunity to serve its citizens, who overwhelmingly support more investment in efficiency and clean energy.¹ In fact, 80 percent of the Hispanic population in New Mexico is concerned about carbon pollution and supports the use of more renewables even in the face of increased costs.²

The Clean Power Plan Will Cut New Mexico Electricity Bills

- Based on the EPA's conservative data, by 2030, electricity bills will be 6 to 10.7 percent lower under the Clean Power Plan, saving the average New Mexico household up to \$101 annually.³
- Without the Clean Power Plan a typical New Mexico household will pay roughly \$943 for electricity in 2030; with the Clean Power Plan it will pay \$842 to \$886.⁴
- New Mexico could see even greater savings than the EPA's data suggest because the agency omits entire categories of efficiency measures that states can use, such as building codes and appliance standards.⁵

Promoting Energy Efficiency Benefits New Mexico Consumers and the Environment

- The American Council for an Energy-Efficient Economy estimates that New Mexico's investments in energy efficiency in 2013 saved ratepayers 126,000 megawatt hours (MWh) – the equivalent of meeting the annual electricity needs of more than 16,000 Colorado households.⁶
- At the average price of electricity, \$.12 per kWh, New Mexico saved more than \$57 million through energy efficiency programs in 2013.⁷
- New Mexico's energy efficiency policies helped annually avoid

carbon pollution equivalent to 62,500 cars.³

- New Mexico was ranked 25th in the country for its energy efficiency advancements including utility energy efficiency programs, building energy codes standards and appliance and equipment efficiency standards – meaning the state can achieve much more.⁸
- According to the Southwest Energy Efficiency Project, scaling up energy efficiency programs could save New Mexico consumers nearly \$2 billion by 2030 and allow utilities serving New Mexico to avoid spending \$2.4 billion constructing and operating power plants.⁹

New Mexico Can Capitalize on the Expanding Clean Energy Economy

- In 2010, New Mexico's clean energy economy employed 17,725 people. Clean energy jobs account for 2.1 percent of all state employment.¹⁰
- New Mexico's landscape has attracted many clean energy investors. Wind power in New Mexico has received more than \$1.3 billion in private investments, while solar power saw an investment of \$131 million in 2013.¹¹
- New Mexico's solar energy generation potential is 1,000 times the amount consumed by the state annually.¹²

ENDNOTES

¹ Washington Post ABC News Poll, June 2, 2014,
<http://www.washingtonpost.com/blogs/the-fix/wp/2014/06/02/a-huge-majority-of-americans-support-regulating-carbon-from-power-plants-and-theyre-even-willing-to-pay-for-it/> .

² The Benenson Strategy Group, July 2014,
<http://www.lcv.org/issues/polling/nm-az-energy-english.pdf>

³ PUBLIC CITIZEN EPA CLEAN POWER PLAN ANALYSIS (2015).

⁴ *Id.*

⁵ *Id.*

⁶ American Council for an Energy-Efficiency Economy, The 2014 State Energy Efficiency Scorecard, October 2014.
<http://aceee.org/sites/default/files/publications/researchreports/u1408.pdf>.

⁷ Energy Information Administration, How Much Electricity Does an American Home Use?,
<http://www.eia.gov/tools/faqs/faq.cfm?id=97&t=3>.

⁸ American Council for an Energy-Efficiency Economy, The 2014 State Energy Efficiency Scorecard, October 2014.
<http://aceee.org/sites/default/files/publications/researchreports/u1408.pdf>

⁹ The Southwest Energy Efficiency Project, The \$20 Billion Bonanza: Best Practice Utility Energy Efficiency Programs and Their Benefits for the Southwest, October 2012
<http://www.swenergy.org/programs/utility/20-billion-bonanza> .

¹⁰ Brookings, Sizing the Clean Economy: the Clean Economy in the State of New Mexico,
<http://www.brookings.edu/~media/Series/Clean-Economy/35.PDF>

¹¹ Solar Energy Industries Association, Economic success of Clean Energy, April 9, 2014,
<http://www.seia.org/blog/economic-success-clean-energy>

¹² Environment New Mexico, Stat Power: the Growing Role of Solar Energy in New Mexico, November 20, 2014,
<http://www.environmentnewmexico.org/reports/nme/star-power-growing-role-solar-energy-new-mexico>